

PANAMA TELEDATA CORPORATION
SECTION 214 APPLICATION
Attachment 1, Page 1 of 3

ATTACHMENT 1

Panama Teledata Corporation (“PTC” or “Applicant”) hereby submits the foregoing application for Section 214 authorization to Global Resale Authority pursuant to Section 63.18(e)(2) of the Commission’s Rules. Specifically, Applicant seeks to resell international telecommunications services to all international points, in particular between the United States and Panama. There are no countries for which Applicant does not request authorization.

In accordance with the International Bureau’s online form and application instructions, Applicant hereby provides the following information in this Attachment 1, for Items 9 through 13 of the foregoing application:

Item 9: Applicant respectfully requests streamlined processing of the subject application. Although Applicant, a telephone services provider, is a foreign carrier in the Republic of Panama, it nonetheless qualifies for streamlined processing pursuant to Section 63.12(c)(1)(iv) of the Commission’s Rules, in that Applicant qualifies for a presumption of non-dominance pursuant to Section 63.10(a)(4). Specifically, the Republic of Panama is a member of the World Trade Organization (“WTO”), and, Applicant proposes only to resell the services of unaffiliated U.S. carriers. Applicant has no facilities in the United States or between the U.S. and Panama, and does not propose any such facilities by this application. Additionally, Applicant has no affiliations with any U.S. carriers, and Applicant is not, and is not affiliated with, a foreign carrier in any destination market other than Panama.

Item 10: Not applicable.

Item 11: Pursuant to Sections 63.18(i)-(m) of the Commission’s Rules, Applicant hereby certifies as follows:

? Applicant is a foreign carrier; specifically, Applicant is authorized to provide local and long distance telephone in the Republic of Panama.

? Applicant seeks to provide international telecommunications services to a destination country for which the statement in Section 63.18(j)(1) of the Commission’s Rules is true. That is, Applicant is a telecommunications carrier in the Republic of Panama, which is among the destination countries for which Section 214 authorization is requested by this application.

? Pursuant to Section 63.18(k)(1), Applicant certifies that the Republic of Panama, the destination country in which Applicant is a foreign carrier, is a member of the WTO. *See*, WTO List of Members, available on-line at

PANAMA TELEDATA CORPORATION
SECTION 214 APPLICATION
Attachment 1, Page 2 of 3

http://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm. Additionally, although only one showing under Section 63.18(k) is required, Applicant respectfully submits that it can also demonstrate that it lacks market power in Panama. *See* 47 C.F.R. § 63.18(k)(2). Specifically, Applicant's total revenues for 2005 were less than \$10,000; as discussed in greater detail below, its market share in Panama is negligible.

? As required by Sections 63.18(l) and (m) of the Commission's Rules, the Applicant hereby respectfully submits that it qualifies as "non-dominant" pursuant to Section 63.10(a)(3) of the Commission's Rules. Initially, to clarify, Applicant is not a domestic carrier in the U.S., and does not seek to be. Applicant is a foreign carrier in a destination market subject to the foregoing application, as those terms are defined in the Commission's Rules; but it is not affiliated with another foreign carrier in that destination market or elsewhere. Even though Section 63.10(a)(1)(3) requests information regarding an applicant's "foreign affiliate," the first sentence of that subsection indicates that the subsection applies if an applicant "*is ... a foreign carrier.*" Consequently, the remainder of this response will not provide information regarding any "foreign affiliates" of Applicant, of which there are none, but will provide the information required by Section 63.10(a)(1)(3) for itself.

Applicant is a foreign carrier in Panama, a destination market under the foregoing application. Applicant has no market power on the foreign end of the U.S.-Panama route, and thus cannot affect competition in the U.S. The incumbent carrier in Panama is Cable & Wireless Panama S.A., which has been recognized by the Commission to possess market power in Panama. *See, The International Bureau Revises and Reissues the Commission's List of Foreign Telecommunications Carriers that are Presumed to Possess Market Power in Foreign Telecommunications Markets, Public Notice*, DA 04-1584 (released May 28, 1004). The Cable & Wireless corporate family reported interim 2005 revenues in Panama of approximately U.S. \$100 million. *See, Cable & Wireless Interim Results*, November, 8, 2005, available on-line at www.cw.com/about_us/investor_relations/financial_data/results. In contrast, Applicant is a relatively new entrant in the local access and international transport markets, having first been authorized to provide services in those markets in 2003. Applicant's total gross revenues for 2005 will amount to less than U.S. \$10,000 for all services (including those that would be unregulated "information services" in the U.S.). Applicant estimates that its market share in the Panama telecommunications market is less than one percent, well below the 50% threshold that the Commission presumes to represent market power. *See*, 47 C.F.R. § 63.10(a)(3).

? In addition to the information provided above, Applicant further respectfully submits, pursuant to Section 63.18(m) of the Commission's Rules, that Applicant would also qualify for a presumption of non-dominance pursuant to Section 63.10(a)(4). Specifically, Applicant is not affiliated with any U.S. carrier, and seeks only

PANAMA TELEDATA CORPORATION
SECTION 214 APPLICATION
Attachment 1, Page 3 of 3

to resell the international switched telecommunications services of unaffiliated U.S. carriers.

Item 12: Applicant seeks to provide international telecommunications services to the following destination country for which the statement in Section 63.18(j)(1) of the Commission's Rules is true:

Republic of Panama

Item 13: Not applicable. Except as stated above with respect to Panama, Applicant is not, and has no affiliations with, any foreign carrier in any destination.